James J. Dragna

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October 27, 2010

Via US Mail and Facsimile

Stephanie C. Morris
Special Counsel
Louisiana Oil Spill Coordinator's Office
Louisiana Department of Public Safety and Corrections
P.O. Box 66614
Baton Rouge, LA 70896

Re: Response to the Louisiana Trustees' Invitation to Participate in the NRDA for the Deepwater Horizon Oil Spill

Dear Ms. Morris:

I write on behalf of Anadarko Petroleum Corporation and Anadarko E&P Company, LP (collectively, "Anadarko") and MOEX Offshore 2007 LLC ("MOEX") in response to your September 27, 2010 letter, in which the Louisiana Natural Resource Damages Trustees ("Louisiana Trustees") for the Deepwater Horizon Oil Spill invite Anadarko, MOEX and certain other companies to participate in the Natural Resource Damage Assessment ("NRDA"). As discussed below, Anadarko and MOEX, each acting solely on its own behalf, accep0074 the Louisiana Trustees' offer to participate in the NRDA under the general framework outlined below.

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As an initial matter, Anadarko and MOEX dispute that they have liability for damages or response costs under the federal Oil Pollution Act ("OPA") or the Louisiana Oil Spill Prevention and Response Act ("OSPRA"). As you may know, BP Exploration and Production, Inc. ("BP") is the sole lease operator of the Macondo Well. BP and Transocean Ltd. are primarily responsible for the explosion and resulting spill. Anadarko and MOEX were non-participating investors in the project. Moreover, they did not and could not direct operations or decisions on the Deepwater Horizon rig or the Macondo Well, nor did they have any substantive role in the decisions or events leading up to the spill.

We understand that Anadarko and MOEX were issued the Notice of Intent ("NOI") due to their minority ownership interests in the lease of Mississippi Canyon Block 252 in the Central Gulf of Mexico, which is where the Macondo Well is located. This minority interest in the lease, however, does not constitute sufficient grounds for imposing liability for damages or response costs under OPA or OSPRA.

Nevertheless, Anadarko and MOEX understand and appreciate the importance of the NRDA process and of the Louisiana Trustees' goal of ensuring that the NRDA process moves forward in a reasonable and expeditious manner. Anadarko and MOEX believe

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that they can help advance this goal by providing comments and input on the NRDA process for consideration by the Louisiana Trustees as they assess the data and evaluate various restoration options. Any such participation must, however, take into account the fact that other parties bear primary responsibility for this matter. To that end, Anadarko and MOEX, each acting solely on its own behalf, offers to participate in the NRDA process as follows:

- 1. Participation. Anadarko and MOEX will have the ability to review and provide comments on key documents and plans in the NRDA process that significantly affect the nature and extent of the assessment. Such documents will include any draft work plans, data, technical reports, restoration plans, and technical and legal documents that are submitted into the administrative record. Anadarko and MOEX also will have the opportunity to review and comment on any public review drafts of documents prior to their release for public comment. Finally, Anadarko and MOEX will have the opportunity to participate in periodic meetings with the Louisiana Trustees to discuss the status of the NRDA, as well as an opportunity to participate in any significant meetings between the Louisiana Trustees and BP regarding the scope or nature of NRDA work or restoration planning.
- 2. No Funding Component. Given the primary responsibility of other parties and BP's commitment to address all aspects of spill response, Anadarko and MOEX will not be required to contribute funding toward the NRDA process. In fact, it is our understanding that BP, as the sole operator of the lease, is already funding both the response and NRDA efforts.
- 3. Reservation of Rights. Anadarko and MOEX's participation in the NRDA will not be construed as a waiver of any defenses or admission of liability or responsibility under OPA, OSPRA, or any other statute, regulation or claim. Further, Anadarko and MOEX's agreement to participate in the process will not be construed as an admission or concession that OSPRA or any other state law applies with respect to natural resource damages or any other claims for damages relating to the Deepwater Horizon incident.

We appreciate the Louisiana Trustees' invitation to participate in the NRDA and look forward to working with the Louisiana Trustees under the framework described above.

Sincerely yours,

James J. Dragna